

Massachusetts Export Center

2002 Annual Report



A Letter from the Director



Massachusetts Export Center

The Massachusetts Export Center and its partnering organizations are committed to helping Massachusetts companies succeed in global markets. The Export Center stands ready to help Massachusetts businesses through the entire export process. Year after year, through the services provided by the Massachusetts Export Center, thousands of Massachusetts businesses have successfully exported their products and services internationally.

The year of 2002 was no exception. The Export Center provided assistance to 1,756 companies during the year, approximately 200 of which were assisted on an in-depth or ongoing basis. The Export Center provided over 4,000 hours of direct, one-on-one assistance to these in-depth cases. Clients reported over \$26 Million in export sales as a direct result of the assistance provided by the Export Center in 2002. In addition, Export Center clients reported an increase of 33% in export sales between 2001 and 2002, compared to a decrease in the state's overall export performance for the same period.

In addition to client assistance, the Export Center also organized over thirty export training programs under the Partners for Trade series. These seminars attracted over 1,000 attendees throughout Massachusetts.

This report outlines the Massachusetts Export Center's activities and successes in 2002. The report also highlights comments from exporters who have received assistance through the Export Center. These comments testify to the level of service provided by the Export Center's team of international trade professionals located throughout Massachusetts. I hope that you find this report informative.

Sincerely,

Paula L. Murphy

Director

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Massachusetts Export Center Background and Overview



Mission

The Massachusetts Export Center helps companies throughout the Commonwealth to achieve success in global markets through a state-wide network of international trade professionals. provide targeted, high-impact services for exporters, including counseling, training, research and technical assistance.

Partners and Structure

The Massachusetts Export Center, part of the Massachusetts Small Business Development Center Network, serves as the state's one-stop resource for export assistance and information.

The Export Center provides targeted, customized services to exporters, including counseling, training, technical assistance, market research and publication development. Since its inception, the Massachusetts Export Center has assisted over 14,000 companies and individuals in their export endeavors.

2002 was a year of great change for Massachusetts trade development services in general and for the Massachusetts Export Center specifically. Because of decreased revenue and a change in focus at the Massachusetts Port Authority following the tragic events of September 11 in 2001, the Authority's International Marketing Department was closed at the end of that year. Massport was one of the founding partners of and main contributors to the Massachusetts Export Center, and the closure of the International Marketing Department directly impacted the Export Center's operations. As a result of the Massport cuts, the Export Center lost significant operational funding for its Boston office and two staff positions for the Boston office.

Following news of the Massport cuts, the Export Center began discussions with the Massachusetts Office of Business Development and the Massachusetts Trade Office to help the state reinvigorate its international trade and investment promotion efforts. In 2002, the Export Center's Boston office moved and colocated with the Massachusetts Trade Office. The move helped to better integrate the Export Center's activities with other Massachusetts economic development initiatives.

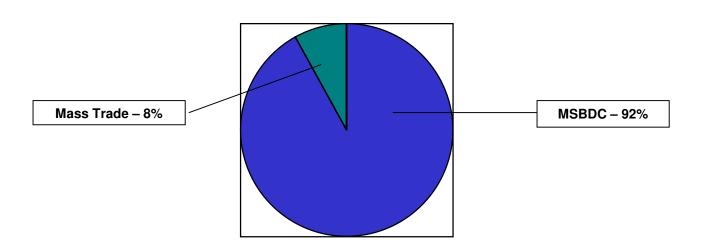
The Export Center now works hand-in-hand with the Massachusetts Trade Office for international trade development. The Export Center continues to provide most services for Massachusetts businesses seeking export assistance, enabling the Trade Office to focus on specific export initiatives, such as key European trade shows. The Trade Office also continues to focus on foreign direct investment promotion and international protocol.

Financial and In-Kind Contributions

Per the original directives which recommended formation of the Massachusetts Export Center, the office's partnering organizations provide different operational contributions. These contributions take the form of staff members, office space, equipment, supplies, overhead expenses, etc. Due to cutbacks and funding changes in recent years, however, the proportion of financial contributions to the Export Center has drastically changed. The year 2002 was the first during which Massport did not provide any financial contribution towards operation of the Massachusetts Export Center. Since Massport was always a major contributor of funding for the Export Center, not only did the Export Center's overall budget decrease, but the financial burden has significantly increased for the Massachusetts Small Business Development Center Network, which now funds the Massachusetts Export Center almost entirely.

Below is a breakdown of the financial and in-kind contributions made to the Massachusetts Export Center by its partnering organizations in 2002.

Massachusetts Export Center 2002 Financial (Quantifiable) Contributions Made by Partnering Agencies



Massachusetts Export Center 2002 In-Kind Contributions Made by **Partnering Agencies and Other Organizations**

- Massachusetts Port Authority Utilities & Rent - Mass Export Center Boston office (Jan. 2002 through May, 2002)
- Massachusetts Trade Office Utilities & Rent – Mass Export Center Boston office (June, 2002 through December 2002)
- Massachusetts Office of Business Development Utilities, Rent, Communications Costs – Mass Export Center Central Massachusetts office in Worcester
- Western Massachusetts Electric Company Utilities & Rent - Mass Export Center Western Massachusetts office in West Springfield
- New Bedford Area Chamber of Commerce Utilities & Rent – Mass Export Center Southeastern Massachusetts office in New Bedford

The Mass Export Center has shown us nothing but enthusiastic support and has been a great ally in growing our business! They have guided us through the mechanics of international trade, advised us about the legalities of foreign distribution, and provided us with valuable information and research about ways to increase our markets in Canada, Europe and Asia. With the Export Center's advice and assistance, we now have distributors in Japan, Canada and the UK. Both as a business owner and as a taxpayer, we are pleased with the service the Massachusetts Export Center has offered us. This is the kind of business and government partnership that benefits everyone nurturing start-up businesses that give back to the community with jobs, taxes and support to the local economy.

Ed and Leslie Grinnell Eddie's Wheels

Eddie's Wheels

Office Locations and Areas Served

The Massachusetts Export Center has four offices which are strategically located throughout the state to assist companies on a local level.

The Boston office serves as the Export Center's headquarters, and also acts as the "hub" for companies from throughout the state calling to receive export assistance. The office also acts as primary liaison with the Export Center's partnering agencies and other international business organizations in Massachusetts. In addition, the office provides one-on-one export assistance to companies in greater Boston and northeastern Massachusetts while organizing export training programs and events in these areas. Until May of 2002, the office was co-located with Massport's International Marketing Department at the Boston Fish Pier. In June of 2002, the office moved to co-locate with the Massachusetts Trade Office at the State Transportation Building. The office is staffed by three full-time staff members, including: Paula Murphy, director; Kathleen Newell, trade services manager; and a trade assistant (staffing for this position is rotated). The office also houses several interns who work on client research projects.

The Export Center's regional offices were established to provide a local contact for companies throughout the state to receive export assistance. Having a local presence enables the Export Center to work more closely and effectively with clients outside of eastern Massachusetts. Regional offices also enable the Export Center to provide better outreach to the local business community and partner with local business and economic development groups.

In 2002, the Export Center's Central Massachusetts office was located in downtown Worcester. The Massachusetts Office of Business Development housed the office, which is staffed by Julia Dvorko, central Massachusetts program director. The office services the entire central Massachusetts area, from the Route 495 area in the east to Sturbridge in the west and from the New Hampshire border in the north to the Rhode Island/Connecticut borders in the south.

The Export Center's Western Massachusetts office is located in West Springfield. The Western Massachusetts Electric Company houses the office, which is staffed by Ann Pieroway, western Massachusetts program director. The office services the four counties of Western Massachusetts (Hampden, Hampshire, Berkshire and Franklin).

The Export Center's Southeastern Massachusetts office is located in New Bedford. The New Bedford Area Chamber of Commerce houses the office, which is staffed by Michael Sullivan, Southeastern Massachusetts international trade counselor. The office services much of the southeastern Massachusetts area, including Bristol, Barnstable, Dukes and Nantucket counties and the southern parts of Norfolk and Plymouth counties.

In addition to the regional offices, the Export Center also centralizes administrative activities (e.g., brochure design, distribution and registration) for the Partners for Trade series of export training programs. These activities are coordinated by Catherine Cornwell, publications manager at the Massachusetts Small Business Development Center Network's state office in Amherst. Ms. Cornwell also develops many of the Export Center's publications, including the office's web site.

Massachusetts Export Center Office Locations



Massachusetts Export Center

2002 Summary of Activities and Accomplishments



2002 Client Impact & Satisfaction Survey

- Clients reported over \$26.5 Million in export sales as a direct result of the assistance provided by the Massachusetts Export Center in 2002.
- Between 2001 and 2002, Export Center clients experienced a 33% increase in export sales, compared with an overall decrease of 4.25% in Massachusetts' export performance for the same time period.
- In 2002, overall client sales increased 7.8% from 2001, compared with an increase of only 1.5% for manufacturers nationwide during the same time period.
- 100% of clients surveyed reported that they found the services of the Massachusetts Export Center to be beneficial and 66% of clients reported that the Export Center's services exceeded their expectations.
- 90% of clients surveyed credit the Massachusetts Export Center with helping them to achieve specific export sales.

Surveys were distributed to a total of 91 clients assisted during 2002 for which there was likely export impact. Survey results are based on a total of 50 responses received, for a response rate of 55%.

2002 Global Leadership Award

On April 26, 2002, Associated Industries of Massachusetts (AIM) and the Alliance for the Commonwealth granted the Massachusetts Export Center the Global Leadership Award. Each year, the Global Leadership Award is given to a "Massachusetts company, organization, government agency or individual that has demonstrated significant leadership in making Massachusetts a global competitor". Past winners have included The Gillette Company, Bose Corporation, BankBoston and the Raytheon Company. In granting the award to the Export Center, Linda Noonan, Executive Director of the Alliance for the Commonwealth, noted that "Without the Export Center, many of the state's small businesses would not have the information, resources or know-how to export their products overseas." The Massachusetts Export Center is the only government organization to ever receive this award.

There is no way for a company to have all the expertise inhouse to be successful in every country. We needed help! And the Massachusetts Export Center was there to provide this help, and they continue to do so today. We had specific needs in the area of export compliance and software licensing – two key areas that are high risk for a company doing business internationally. The Export Center provided us with the expertise and contacts to resolve our export and license problems. They take the mystery out of doing business worldwide and are a great resource.

INNOVEDA.

Joe Clark, International Sales Manager

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2002 Statistical Summary of Activities

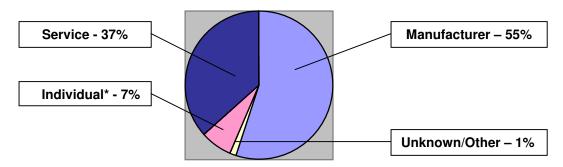
Number of Companies Assisted 1,756

Number of Hours of Direct, One-on-One Export Counseling Provided 4,194

Number of Partners for Trade Export Seminars Organized & Held 31

Number of Companies Attending Partners for Trade Export Seminars 1,050

2002 Client Mix



^{*} includes business startups, students and job seekers

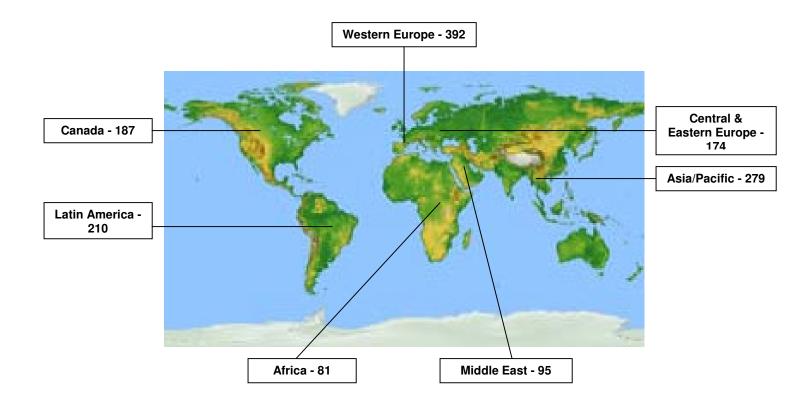
Automotive	9	Furniture/Wood Products	24
Biomedical Industries*	106	Industrial Machinery	106
Building/Construction Products	28	Information Technology***	218
Chemicals	19	Instrumentation (non-medical)	46
Consumer Products, Misc.	54	Marine/Ocean Technology	5
Consulting	112	Metal Industries	29
Defense/Military/Aerospace	10	Non-profit/Government	38
Educational Products & Services	37	Paper	18
Electronics	47	Photonics/Optics	10
Engineering	9	Plastics	32
Environmental/Energy	31	Printing/Publishing	27
Export/Import; Trading	117	Security/Safety	17
Export Services, Misc.**	443	Sporting Goods	14
Financial Services	27	Textiles/Apparel/Footwear	32
Food/Beverage/Agriculture	69	Other/Unspecified	22
		Total	1,756

 $^{^{\}star}$ includes biotech, pharmaceuticals, medical devices, equipment &instrumentation, lab equipment & supplies, healthcare services

^{**} includes legal, translation, shipping/freight, accounting, etc.

^{***} includes computer hardware, software, telecommunications

2002 World Regions of Interest to Clients



Massachusetts Export Center 2002 Core Activities



Export Counseling, Technical Assistance & International Market Research

Most of the Massachusetts Export Center's day-to-day activities involve providing direct assistance to Massachusetts companies for their international business development efforts. This assistance usually takes the form of customized oneon-one export counseling, technical assistance and international market research.

In 2002, the Massachusetts Export Center provided export counseling and technical assistance services to 1,756 companies. Export Center staff members spent 4,194 hours counseling companies on international business in 2002. All counseling and technical assistance is provided free of charge.

The Export Center provides export counseling services in a number of different ways. The Export Center's Boston office helps many companies with their exporting questions right over the phone. The Boston office also handles inquiries through the Export Center's web site. Information on any given company contacting the Export Center is logged directly into the office's database. This information includes company contact information, product/service information, export activity information, and information on the company's exporting questions and needs. Based on the information collected by the Export Center, the trade specialist handling the case may help the company in several different ways. In most cases, the trade specialist will assist the company directly by answering the company's questions and sending the company information that will address the company's needs.

In many cases, following initial contact with the company, a one-on-one counseling session will be arranged. All of the Export Center's offices perform this role in their respective regions. Although counseling is conducted directly from the Export Center's offices, in most cases, counseling sessions are conducted on-site at the client company's location. Over the course of a company's international business development, the company may have several counseling sessions with the Massachusetts Export Center. In fact, many of the most successful exporters assisted by the Export Center are long-term clients.

Some of the areas addressed in one-on-one export counseling sessions include:

ECM Plastics was exploring the possibility of export sales and needed some guidance regarding licensing, documentation. logistics and payment. Massachusetts Export Center provided assistance to us in resolving all these issues. We were able to ship the products on time and expand into new markets thanks to the services provided by this organization. William Mahoney, Controller **ECM Plastics**



- Export planning and preparation
- Assessment of export readiness
- Export strategy and international business plan development
- Assessment and selection of export target markets
- International sales, marketing and distribution channel development/management
- Identification and qualification of overseas customers and partners
- Overseas trade show identification and facilitation
- International payment and financing
- Export logistics, including product classification, shipping. documentation, terms, etc.
- Export regulatory compliance
- International standards compliance
- Export legal issues
- Working with export service providers

The Export Center also provides comprehensive technical assistance to clients in their day-to-day export operations. Often times, clients will call with questions and problems regarding specific export transactions and Export Center staff help to resolve the problem and enable the client to "complete the sale". Examples of this type of assistance include: helping clients with foreign customs problems; assisting clients in completing export documentation and classifying their products for export; helping clients to determine if they need an export license for a particular shipment and guiding clients through the export licensing process in general; and helping clients to determine terms of payment for export sales.

> The Massachusetts Export Center has provided invaluable guidance to us as well as practical information and advice on doing business overseas. With the help of the Export Center, we have learned and implemented the fundamentals of international trade, and currently have clients throughout the EU, Israel and Japan.

Lisa Fisher Chamberlain The Chamberlain Group

The Massachusetts Export Center has been extremely influential with our company growth, developing markets and identifying potential new markets for our products. The research they have provided has been invaluable and otherwise inaccessible.

Keith Bailey, VP, Innovative Cereals

To supplement export counseling and technical assistance services, the Export Center provides international market research to help clients make informed decisions on their international business activity. This research is conducted by Export Center staff members and student interns. The Export Center has access to a wealth of information on export markets. The Export Center subscribes to online databases containing detailed market and statistical information on export markets. In addition, the World Wide Web is used to locate a wide variety of information on export markets for clients. Examples of the type of research provided to clients by the Export Center include:

- General information on doing business in different countries
- Demographic, economic, political and cultural information on different countries
- Information on specific industries/products in export markets, including:
 - market size, characteristics & trends
 - competitive environment
 - trade barriers and regulatory environment
 - pricing infrastructure
 - sales & distribution channels
 - key contacts (manufacturers, distributors, end-users, trade associations & journals, government offices, etc.)
 - trade shows
- Detailed statistical information on U.S. exports by state, product, country

Thank you, Mass Export Center, for providing information on potential overseas markets for our software. The international market research that you pulled together is excellent and exactly what we need to make informed decisions about selling into new markets.

Kevin Cartmill, Int'l Market Development PowerSchool, a division of Apple

PowerSchool PowerSchool

Partners for Trade Export Training **Programs**

The Massachusetts Export Center organizes several seminars throughout the year under the Partners for Trade program. Partners for Trade is the official export training initiative of the Commonwealth. The initiative is a regional collaborative between the Export Center, chambers of commerce, trade associations, economic development agencies and the private sector working together to present frequent seminars on international trade. Since its inception, the Partners for Trade program has enabled thousands of Massachusetts companies learn what they need to know to succeed in global markets.

Partners for Trade programs offer Massachusetts companies an overview of essential issues such as international marketing, legal issues, export logistics, international distribution and many other elements crucial to a successful exporter's international business strategy. In addition, many Partners for Trade programs address country-specific and industry-specific export issues.





Photos from two Partners for Trade programs held in 2002

In recent years, the Export Center has adapted the Partners for Trade program to keep pace with the increasing sophistication and knowledge Massachusetts companies have about exporting. In addition to basic exporting programs (e.g., the Evening Export School), the Export Center has designed advanced, seriestype programs that provide an in-depth look at issues crucial to management of day-to-day export operations.

The Export Center also collects evaluations on all programs to receive feedback on items such as program content, speaker quality, and seminar logistical arrangements. The evaluations help to formulate and improve future programs.



Partners for Trade 2002 Export Seminars

Date	Program	Location	Number of Attendees
2/7/2002	International Networking Evening Seminars Minimizing International Trade Risk in Risky Times International Business Survival Kit	Boston	290
4/2/2002	Basic Export Logistics: An Overview	Framingham	33
4/9/2002	Export Controls & Compliance	Framingham	43
4/16/2002	Shipping Under NAFTA	Framingham	44
4/18/2002	Exporting 101	Gloucester	15
4/23/2002	Importing Classification, Compliance & Recordkeeping	Framingham	46
4/30/2002	Duty Drawback	Framingham	34
5/1/2002	Introduction to International Sales & Marketing	Boston	26
5/8/2002	Establishing & Managing International Sales and Distribution Networks	Boston	28
5/8/2002	Advanced International Letters of Credit	Bridgewater	26
5/15/2002	Export Legal Issues	Boston	31
5/22/2002	International Payment & Financing	Boston	38
5/23/2002	Going Global for Textiles & Apparel	Fall River	20
5/29/2002	Export Shipping & Logistics	Boston	32
6/19/2002	Developing & Managing Global Software Sales	Bedford	21
9/26/2002	The Global Economy & the Euro: Implications for International Business	Boston	32
10/2/2002	Assessing Overseas Credit Risk	Boston	22
10/3/2002	Exporting 101	Boston	7
10/9/2002	Creative Alternatives to the International Letter of Credit	Boston	32
10/16/2002	Global Strategy and Risk Management	Boston	19
10/22/2002	Managing the Export Shipping Process	Taunton	26
10/24/2002	International Sales and Distribution Contracts	Boston	22
10/29/2002	Export Documentation Step-by-Step	Taunton	34
10/31/2002	Global e-Commerce	Boston	10
11/5/2002	Canada A to Z	Boston	22
11/6/2002	Canada A to Z	Springfield	12
11/7/2002	Import Classification, Compliance & Recordkeeping	Springfield	11
11/7/2002	Global Intellectual Property Protection	Boston	14
11/14/2002	Export Controls & Compliance	Boston	33
12/12/2002	Advanced International Letters of Credit	Boston	27
	Total 2002 Partners for Trade Attendees		1,050

The Export Center develops, publishes and distributes a comprehensive Seminar and Registration Guide, which contains detailed information on all Partners for Trade programs, including program descriptions, speakers, locations, directions and registration information. This Guide is published twice yearly and is distributed to approximately 15,000 companies throughout Massachusetts. Partners for Trade seminars are also promoted through the Export Center's web site, which also offers online registration for seminars. The Export Center also relies on seminar co-sponsors and partners to help promote programs.

Most of the training for the Partners for Trade series is provided by volunteer international business experts from the private sector. These experts include international business lawyers, export consultants, freight forwarders, international bankers, individuals from companies doing business internationally, and many others. The Partners for Trade program would not be possible without the generosity of these professionals who volunteer their time to share their experiences and expertise for the benefit of Massachusetts companies. Because there are no costs associated with speakers, the Export Center is able to keep seminar fees to a minimum, enabling even very small businesses to benefit from export training.

Trainers for 2002 Partners for Trade seminars include:

Olga Altimari-che, Vice President of Foreign Exchange – Sovereign Bank Ingrid Beattie, Partner - Mintz Levin William Benjamin, Senior Partner - Hale & Dorr LLP

Gary Blitz, Partner - Mintz Levin

Richard Bridges, Account Executive - Roanoke Trade Services, Inc.

Lawrence Brill, Director - Market Expansion, Office of Textiles, U.S. Dept. of Commerce

Jorge Contreras, Senior Partner Boston Office - Hale & Dorr LLP

Wayne Cook*, Vice President of Global Trade Banking - State Street Bank

Carmelle Dambreville, VP International Trade Services - Fleet Bank

Stephen Davis, Managing Director - CXO Advisory Group

Paul DiVecchio*, Principal Consultant - DiVecchio & Associates

Robert Duggan, Partner - Mintz Levin

Leonard Gold, Managing Director - Burns & Levinson Canada Co.

Ed Haddad, Vice President International Sales - New Balance Athletic Shoe, Inc.

Robert Haight, Assistant VP Global Trade Finance - Fleet Bank

William Higgins*, Special Agent – USDOC, Bureau of Export Administration

Pamela Hoffman, Principal - Hoffman Associates

Laura Huber, Associate - Mintz Levin

Barry Hurewitz, Junior Partner Washington Office - Hale & Dorr LLP

Eric Hunter, Vice President - MassDevelopment

John Joyce, Int'l Trade and Finance Manager – U.S. Small Business Administration

Peter Kelman, Esquire, Attorney at Law

Larry Kennedy, Strategic Marketing Consultant – EMC Corporation

Jill Kerxton, Partner - Mintz Levin

Julie Korostoff, Partner - Mintz Levin

Michael Laffan, Vice President International - Sovereign Bank

Cynthia Larose*, Partner - Mintz Levin

Stephen Leahy*, Principal – Law Office of Stephen J. Leahy

William McDermott, International Manager – BAX Global

Joseph Meunier*, Chief Operating Officer – OceanAir, Inc.

Gustavo Mira*, Vice President of International Banking Trade Services - Citizens Bank Jason Mirabito, Partner - Mintz Levin

Joseph Mooney*, VP & Manager of International Banking Trade Services - Citizens Bank Christopher Murphy, VP Foreign Exchange – Fleet Bank

Paula L. Murphy*, Director - Massachusetts Export Center

Kathleen T.K. Newell*, Trade Services Manager - Massachusetts Export Center

Robert O'Malley, Principal – Transportation Sales Associates

Farah Pandith, Vice President of International Business – ML Strategies

Jeremy Peat, Chief Economist - Royal Bank of Scotland Group

David Sanderson, President - Global Median, Inc.

Dina Santos, Vice Consul - Trade - Consulate General of Canada

Monique Schmidt, Director of International Sales – Dimensional Insight, Inc.

Bernard Seban, Vice President of Integration – Dimensional Insight, Inc.

Barbara Secor*, President – EXIM Associates, Inc.

Anthony Serino, President - Serino Associates, Inc.

Thomas Shapiro, Vice President of Sales & Marketing - Rubric, Inc.

Kenneth Slade, Senior Partner Boston Office - Hale & Dorr LLP

Dena Stephanopoulos, Vice President of International - Silicon Valley Bank

Michael Sullivan, International Trade Counselor - Massachusetts Export Center

James Thomas, Trade Specialist – U.S. Commercial Service Office

Roger Warburton, Manager of Informational Technologies - Griffin Manufacturing

Susan Neuberger Weller, Partner - Mintz Levin

Duncan Whitehead, VP of Research and Development - Quaker Fabric Corporation

Ivan Wool, Partner - Mintz Levin

Joseph Wyson, Executive Vice President – OceanAir, Inc.

Wayne Zell, Partner - Mintz Levin

^{*} indicates an individual who has provided training at two ore more seminars during 2002

The Export Center's partners and sponsors also play an important role in the Partners for Trade program. The Export Center actively partners with chambers of commerce, industry trade associations and other organizations to co-sponsor Partners for Trade seminars. Typically, partners will aid with seminar planning and help market the seminars to their constituencies. Private sector sponsors will often financially support programs and might also provide logistical support, such as seminar space, etc. Partners enable the Export Center to present Partners for Trade seminars throughout Massachusetts, since many of these organizations have strong regional ties. Following is a listing of 2002 Partners for Trade partners:

American Electronics Association

Associated Industries of Massachusetts/Alliance for the Commonwealth

BAX Global

British American Business Council of New England

Bridgewater State College

Canadian Consulate General - Boston

Cape Ann Chamber of Commerce

Citizens Bank

Fall River Area Chamber of Commerce

Global Business Alliance of New England

Greater Boston High Tech Association

Massachusetts Software & Internet Council

Massachusetts Trade Office

Metro South Chamber of Commerce

MetroWest Chamber of Commerce

Middlesex Community College

Mintz Levin Cohn Ferris Glovsky and Popeo PC

New England - Canada Business Council

North Suburban Chamber of Commerce

Northern Textile Association

OceanAir, Inc.

Software & Information Industry Association

Sovereign Bank

Springfield Enterprise Center

Springfield Technical Community College

Taunton Area Chamber of Commerce

U.S. Department of Commerce - Office of Textiles & Apparel

U.S. Department of Commerce – Export Assistance Center

U.S. Small Business Administration

A few years back, I completed the Massachusetts Export Center's Logistics of Exporting series. Since then, I have insisted that my employees regularly receive export training through the Massachusetts Export Center. As a result of that training and one-on-one assistance that we have received from the Export Center, our company has advanced in knowledge and tools supporting our export operations. The Massachusetts Export Center gave us the jump-start we needed to put our export compliance program back on track.

Robert Daniels, Director of Worldwide Logistics Avid Technology



Publications

The Export Center develops several export-related publications for Massachusetts companies. These publications are designed to educate companies on different aspects of exporting and to help companies plan more effectively for their international business activities. Following is a listing of publications that the Export Center developed or updated during 2002.

Web Site

The Export Center maintains a web site designed to meet the needs of Massachusetts exporters. Key features of the web site include:

- Information on export services and publications available to Massachusetts companies;
- Information on and online registration for upcoming export seminars;
- A state-wide, multi-agency calendar of upcoming international trade events:
- Overseas market information through a comprehensive, categorized "links" section:
- Massachusetts export statistics;
- Online registration for export service providers to be listed in our Export Services Guide; and
- An online form for companies to ask questions or request assistance all online inquiries receive a prompt, customized response.

In 2002, significant updates and enhancements were made to the Export Center's web site, including a complete change in design and integration into the newly-formed "Mass.Gov" portal. In addition, the following features were added:

- A directory of Massachusetts suppliers of wood packaging products approved for compliance with regulations imposed by China, the EU and other geographies
- A PDF version of the Partners for Trade training catalogue
- A new feature allowing nonprofit international trade organizations to add their own international business events to the Export Center's calendar of upcoming events
- An online form to register for the Export Center's new NAFTA First program
- An online form to companies to participate in some of the trade show programs organized by the Massachusetts Trade Office, including CeBIT, a German trade show for the information technology industry

Massachusetts businesses are increasingly using the Export Center's web site as a way of contacting the office and requesting services. In 2002, nearly 50% of Partners for Trade seminar registrations were made through the Export Center's web site and the office received hundreds of requests for assistance through the site's contact form.

Electronic Newsletter

The Export Center continues to publish its Export Massachusetts e-newsletter. By the end of 2002, over 2,500 companies were on the distribution list. Export Massachusetts features helpful trade-related information for area firms. In addition to regular postings about upcoming international business events in the area, Export Massachusetts also features helpful articles and postings about recent developments in international trade. Examples of articles posted in 2002 include:

- Announcements of events and resources of interest to Massachusetts exporters;
- Listings of helpful trade-related web sites;
- Listings of trade leads;
- Article on new regulations for wood packaging materials used in export shipments;
- Articles on new Canadian Customs requirements;
- Articles on the Euro:
- Article on complying with the Foreign Corrupt Practices Act;
- Article on international letters of credit;
- Trade alerts on hot export topics, such as the weakening dollar, new export regulations and new Canadian customs requirements

Partners for Trade Seminar and Registration Guide

Twice annually, the Export Center publishes the Partners for Trade Seminar and Registration Guide, which includes program dates, titles, speakers, locations and descriptions; directions to program locations; and speaker bios for all Partners for Trade seminars. The Guide is one of the Export Center's most highly-anticipated publications and is distributed to approximately 15,000 Massachusetts businesses.

> The Massachusetts Export Center's research was very useful as we prepared to travel to Germany for one of our most important trade shows. We turn to the Export Center often for feedback and advice on strategies for international expansion.

Robert Silvia, International Markets Manager Rex-Cut Products, Inc.

REX-CUT® PRODUCTS, INC.

Massachusetts Export Services Guide

In 2002, the Export Center completed a comprehensive revision of the Export Services Guide, which provides listings of public and private sector export service providers. Types of organizations listed include: state, federal and foreign government agencies; international business associations; international accounting firms; international banks; international business consultants; export management companies; freight forwarders; export insurance companies; international lawyers; translation service companies and more. Since over 700 resources are listed in the Guide, the update has been a large undertaking. The Export Center added a highly successful online update form to facilitate increased updates of information for companies listed in the Guide. Due to budget cuts, the finalized Guide is available in electronic format only.

Exporting: Licensing, Documentation, Logistics & Banking

This publication explains in detail the mechanics of exporting. The book includes detailed information on export regulations and licensing; export documentation (including samples of major export documents); shipping information; shipping terms; transportation modes; and international banking (including methods of international payment and foreign exchange). The Guide also includes a comprehensive glossary of international trade terms and definitions. In 2002, the Export Center completed a full revision and update of this publication. The outline of the publication was restructured, and updated information was included on export documentation and export regulations. Also, a new chapter on NAFTA compliance and documentation was added.

Other Publications

Over the years, the Export Center has developed a number of publications to help companies with their international business activities. Examples of these publications include:

- Start Thinking Export!
- International Business Plan Workbook
- How to Start an Export-Import Business

The Export Center plans to update these publications and develop new publications in the near future.

Massachusetts Export Center 2002 Special Programs, Events, Projects & Activities



NAFTA First

The Massachusetts Export Center rolled out its new NAFTA First program in November of 2002. The program was designed in response to increasing demand among clients for NAFTA-related technical assistance. In the summer of 2002, Export Center staff was provided with in-depth professional development training on NAFTA classification, compliance and eligibility. This training enabled the Export Center to enhance its existing services to meet the NAFTA-related needs of clients. Through NAFTA first, the Export Center will provide assistance in the areas of market development and logistics management to help Massachusetts businesses succeed in Canada and Mexico. The program is available to companies already doing business in Canada and Mexico or to those firms who wish to begin export operations with our NAFTA partners. Specifically, NAFTA First will provide assistance in the following areas:

- Tariff/product classification guidance
- Origin determination assistance
- NAFTA eligibility determination
- NAFTA documentation assistance, including NAFTA Certificate of Origin
- Guidance on marking of merchandise according to NAFTA rules
- Research and assessment of market potential in Canada and Mexico for specific products and industries
- Assistance with potential partner searches in Mexico and Canada
- Referrals to appropriate private sector specialists for further in-depth assistance and support
- Low cost seminars on NAFTA issues.

The Massachusetts Export Center will show you in a personable and intelligent manner how to access a new world of business opportunities and resources. A sincere "thank you" from a former skeptic! This is a great service that significantly enhanced our international efforts!

Nick Wagner, Vice President, Wagner Plastics

International Networking Evening & **Business Forum**

The Massachusetts Export Center is part of the Global Business Alliance of New England (GBANE), an alliance of over forty government and non-profit international business organizations in New England. Each year, GBANE presents the annual International Networking Evening & Business Forum.

Once again, the Export Center took a lead role in organizing this year's event. The Export Center organized the "business forum" seminar component of the event. The theme of this year's business forum was "Surviving in the New Global Environment". Featured seminars included:

> Minimizing International Trade Risk in Risky Times Career Development in Today's Competitive Job Market International Business Survival Kit

In total, over 400 companies attended the event, at least 1/3 of which were recruited by the Export Center (the remaining attendees were recruited by GBANE member organizations). Export Center staff members also provided significant logistical support before and during the event.

> Thanks to the Massachusetts Export Center, my business now generates 5-7% of its sales volume in Western Europe - we're now in Germany, France, the Netherlands, Sweden, Switzerland and the UK. Within the next three years, we expect those numbers to double. I can't emphasize how savvy, proactive and congenial the Massachusetts Export Center has been.

Steven Graham. Owner. Toner Plastics



Co-Sponsored Events

In addition to its own programs, the Export Center works with several organizations to co-sponsor a broad range of international business events of interest to Massachusetts exporters. Examples of activities in which the Export Center engages to co-sponsor these events include some or all of the following: event organization; marketing literature development; participant recruitment via web listings; mailings, phone calls or emails; logistical support for the event; and speaking at or moderating the event. Following is a listing of 2002 events that the Export Center co-sponsored, along with the co-sponsoring organization(s):

Massachusetts Export Center 2002 Co-Sponsored Events

Date	Event	Co-Sponsor
1/16/2002	The Global Economy: Implications for the Year to Come	Global Business Alliance of New England
1/23/2002	Export Resource Forum	Greater Boston High Tech Association
1/30/2002	How to Succeed in Latin America: Conversations With Companies that Know	New England Latin America Business Council
2/7/2002	International Networking Evening & Business Forum	Global Business Alliance of New England
2/8/2002	Breakfast featuring Peruvian President	New England Latin America Business Council
2/13/2002	Examination of Four Hot Technology Markets	Greater Boston High Tech Association
2/26/2002	China business panel	Suffolk University
3/6/2002	International Technology Joint Ventures	Greater Boston High Tech Association
3/14/2002	Luncheon featuring Turkish Ambassador to the U.S.	Turkish American Chamber of Commerce
4/9/2002	Accessing International Markets	Cape Cod Chamber of Commerce
4/9/2002	Luncheon featuring Sam Bodman, Deputy Secretary, U.S. Department of Commerce	Global Business Alliance of New England
4/2002	Eximbank seminar	Worcester Area Chamber of Commerce
5/13/2002	Hungarian Trade Conference	Hungarian Consulate, Hungarian American Chamber of Commerce
5/13/2002	Canadian Legal Conference	Boston Bar Association
5/30/2002	Free Trade Area of the Americas seminar	New England Latin America Business Council
10/2/2002	Assessing Foreign Credit Risk	Thunderbird Alumni Association
10/11/2002	U.S. High Tech Business in China after WTO	Hale and Dorr
10/29/2002	Meet China Business Conference	Associated Industries of Mass, iNetwork 128

Public Speaking Engagements

As part of the Massachusetts Export Center's outreach efforts to educate the business community on international business resources and opportunities, Export Center officials engage in many activities, such as speaking to business groups throughout the state and exhibiting at trade shows and business expositions throughout the state. The Export Center is often invited by chambers of commerce, trade associations and other organizations to speak at events. The following is a listing of events at which Export Center officials participated:

Massachusetts Export Center 2002 Public Speaking Engagements & Outreach Activities

Date	Event	Subject of Presentation	Organizer
1/2002	European business class	Spoke on exporting to Europe	Suffolk University
1/2002	Export resource seminar	Spoke on government international business resources	Greater Boston High Tech Association
1/2002	Project Management Conference	Spoke on management challenges in the public sector	Project Management Institute
2/2002	International business class	Spoke on international market research	Salem State College
2/2002	International business class	Spoke on exporting and available resources	Bunker Hill Community College
2/2002	International Networking Evening	Spoke on exporting, moderated programs	Global Business Alliance of New England
2/2002	Examination of Four Hot Technology Markets	Spoke on exporting high tech products, moderated panel	Greater Boston High Tech Association
2/2002	Meeting on trade development in Mass	Spoke on Export Center services	Associated Industries of Massachusetts
3/2002	International business class	Spoke on exporting and available resources	Newbury College
3/2002	Boston International Seafood Show	Exhibited	Boston Seafood Show
3/2002	MassPlastics Show	Exhibited	North Central Massachusetts Chamber of Commerce
3/2002	International marketing class	Spoke on international market research	University of Massachusetts Dartmouth
4/2002	International business MBA class	Spoke on the export process	Boston College
4/2002	Accessing International Markets	Spoke on exporting and resources	Cape Cod Chamber of Commerce
4/2002	Visiting Welsh delegation	Spoke on Export Center activities and exporting	Wales Trade International

4/2002	Visiting business delegation from New Brunswick	Spoke on exporting	Industry Canada, Canadian Consulate
5/2002	New Bedford Business Showcase	Exhibited	New Bedford Area Chamber of Commerce
5/2002	Visiting delegation from South Africa	Spoke on Export Center activities and services	Mass Trade
5/2002	Hungarian Trade Conference	Spoke on exporting to Hungary	Hungarian Consulate, Hungarian American Chamber
6/2002	International service providers lunch	Spoke on Export Center activities	Eastern Bank
6/2002	Small business cable show	Spoke on exporting and Export Center services	Boston Neighborhood Network
6/2002	Visiting delegation from Ivory Coast	Spoke on Export Center activities and services	GBANE
6/2002	Food Export USA training	Spoke on Export Center activities and international program development	MA Dept of Food & Agriculture
8/2002	SBDC National Advisory Board visit	Spoke on Export Center activities and services	MA Small Business Development Center
8/2002	Visiting delegation from Hong Kong	Spoke on Export Center activities and Services	Mass Trade
8/2002	Visiting delegation of Russian businesswomen	Spoke on exporting and Export Center activities	WorldBoston
9/2002	Business Boot Camp	Spoke on expanding to foreign markets and export mechanics	UMass Dartmouth Business & Industry Center
9/2002	International business class	Spoke on exporting	Salem State College
10/2002	Lean Manufacturing Conference	Spoke on exporting	Mass MEP
10/2002	Meet China Biz Conference	Spoke on international trade resources available to small businesses	iNetwork 128
11/2002	International business class	Spoke on Export Center activities and exporting	Westfield State College
12/2002	International MBA class	Spoke on international business development strategies	Suffolk University
12/2002	Region on the Move radio show	Spoke on Export Center services and exporting	WTAG 580 AM, Worcester Regional Chamber of Commerce

Press and Public Relations Activities

In addition to public speaking, the Massachusetts Export Center engages in numerous press and public relations activities to inform the Massachusetts business community about international business resources and opportunities.

Massachusetts Export Center 2002 Press & Public Relations Activities

- Boston Business Journal: Interviewed for article on overseas trade shows. Also provided referrals for companies to be featured in article.
- Boston Globe: Interviewed for article on the western U.S. port strike and the resulting impact on local importers and exporters.
- Boston Globe: Interviewed for article on exporting high tech products
- Boston Herald: Interviewed for article on the impact of September 11 events on exporters and importers; also suggested companies to be featured in article.
- Boston Neighborhood Network: Featured on small business cable show.
- Fall River Herald News: Featured in article on exporting in the textile industry.
- Northeast Export Magazine: Interviewed for article on doing business in Mexico.
- Northeast Export Magazine: Sidebar featured Export Center as recipient of Global Leadership Award.
- Patriot Ledger: Interviewed for article on the western U.S. port strike and the resulting impact on local importers and exporters.
- Springfield Sunday Republican: Interviewed for article on Export Center continuation of services despite Massport cutbacks.
- State House News Service: Interviewed for article on Trade Promotion Authority.
- WTAG 580 AM: Interviewed on Export Center activities and services available to Worcester area businesses.

The Massachusetts Export Center has been incredibly helpful. They have helped us to understand the export process and the steps we need to take to sell our products overseas. We will be relying on the Export Center's expertise as we are expanding into the European market in the very near future. Alexa Fox Medical Monofilament Manufacturing MEDICAL MONOFILAMENT MANUFACTURING

Support to Other Programs & Activities

The Export Center frequently provides support to other organizations for numerous activities. In particular, the Massachusetts Trade Office relies heavily on the Export Center to support its international market development activities, including trade missions, trade shows, conferences and other projects. Since the Export Center maintains a comprehensive, extensive database of client companies, the office often plays a key role in helping to recruit companies for these activities. To support the Massachusetts Trade Office's activities, the Export Center may perform a number of tasks, including: providing labels, company profiles or company lists; creating flyers or marketing pieces; publishing information on the web; and providing background information to help organize programs. Examples of activities for which the Export Center provided support include:

2002 Massachusetts Trade Office Activities Supported by the Massachusetts Export Center

Boston Week promotion – Munich, Germany

CeBIT Trade Show – Germany

Eastern Trade Council Symposium

Japan cherry blossom tree ceremony, State House

Medica Trade Show – Germany

Mexican office pharmaceutical industry initiative

Nuremberg Toy Fair – Germany

Overseas trade representative visit

Trade mission to Poland and Sweden

Visiting Hong Kong trade development delegation

Visiting South African government delegation

2002 Other Activities Supported by the Massachusetts Export Center

Boston Bar Association

Canadian-US Legal Conference

Bridgewater State College

Canadian Business Opportunities Workshop

Cape Cod Chamber of Commerce

Small Business Resource Show

Global Business Alliance of New England

International Networking Evening & Business Forum

Hungarian American Chamber of Commerce

Hungarian Trade Conference

Massachusetts Department of Food & Agriculture

- Visiting delegation of Mexican restaurant buyers
- Visiting delegation of Polish/Czech food buyers

Massachusetts Forest Products Association

Help with web site and database development

New Bedford Economic Development Council

Small business assessment survey

New England Latin America Business Council

10th Anniversary Event

Quebec Delegation of New England

Visiting business delegation

University of Massachusetts Dartmouth

International Business Association

U.S. Trade Development Agency

Visiting delegation of Namibian fishing industry

I cannot thank the Massachusetts Export Center enough for the support they have provided to us as we continue to look for avenues to grow our presence in international markets. They have done an incredible job in researching new European markets for our software and I look forward to working with them to achieve success in these geographies.

Monique Schmidt, Director of International Sales Dimensional Insight, Inc.



Massachusetts Export Center Addendum



Massachusetts Export Center Team

Paula Murphy, Director

Paula is director of the Massachusetts Export Center and the Massachusetts Small Business Development Center Network's International Trade Program. She has fifteen years of international business experience. In her role as director, she works with Massachusetts companies to assist them in their export development and provides support for various state trade-related programs, including export training programs, and overseas marketing activities, such as trade missions and trade shows. In addition to her role at the Export Center. Paula has also taught graduate level international marketing at Boston University. Previously, she worked as an international marketing consultant at Hagan & Company, where she helped clients access overseas markets and acted as New England representative on behalf of numerous overseas trade development agencies, including: the Irish Trade Board; the Australian Trade Commission; the state of Victoria, Australia; and the government of Hamburg, Germany. Paula has written a number of export publications and received the national leadership award in international trade by the National Council on Community Service. She has served on the boards of several international trade organizations and is currently a director of the British American Business Council of New England. She is a graduate of Suffolk University and has completed an advanced certificate in international trade at the American Graduate School of International Management-Thunderbird.

Catherine Reid Cornwell, Publications and Web Manager

For the past 13 years. Cathy has been designing publications for the Massachusetts Small Business Development Center (MSBDC) Network. She is also an integral part of the Massachusetts Export Center team. Based out of the MSBDC's stateoffice at the University of Massachusetts Amherst, Cathy designs and edits all internal and external publications for the Massachusetts Export Center and the MSBDC. In addition, she manages several MSBDC websites, including the website for the Massachusetts Export Center. Cathy also handles the registration process for all Partners for Trade export training programs. She received a bachelor's degree from UMass Amherst.

Julia Dvorko, Central Massachusetts Program Director

Julia Dvorko is the Central Massachusetts program director for the Massachusetts Export Center and the Massachusetts Small Business Development Center Network. Based in Westborough, Julia assists Central Massachusetts companies in all aspects of international trade and coordinates export programs and seminars in the area. Julia has over ten years of business experience in several countries including Russia, Sweden and the U.S. Previously, she worked at the MSBDC state office in Amherst, two joint ventures in Russia and a division of Volvo in the North of Sweden. During her career, she has also completed consulting assignments for two Fortune 500 companies and a number of small businesses in the U.S., Ukraine and Russia, Julia has a MBA degree from the University of Massachusetts, and a Ph.D. from Moscow State University. She is fluent in English, Ukrainian, Russian and French, and has a working knowledge of several other languages.

Kathleen T.K. Newell, Trade Services Manager

Kathleen Newell is the trade services manager of the Massachusetts Export Center and the Massachusetts Small Business Development Center Network. She counsels businesses on exporting and helps them to expand into new markets internationally, as well as conducts international market research for clients. Additionally, Ms. Newell assists in the coordination of the Partners for Trade seminar series, which provides export training from the beginning stages to the advanced stages of export. She is also the Massachusetts Export Center's coordinator of the "International Trade Reporter" e-newsletter. She has been in the field of international trade since 1993 and previously worked in the commodities department for a healthcare products organization working with developing countries where she coordinated documentation and inventory for shipments to field offices throughout the world. She has experience living and working in Spain and Mexico. She received a degree in Hispanic Studies from Saint Michael's College.

P. Ann Pieroway, Western Massachusetts Program Director

Ann Pieroway is the Western Massachusetts program director for the Massachusetts Export Center and the Massachusetts Small Business Development Center Network. Based in West Springfield, Ann helps Western Massachusetts companies develop their export plans. In addition, she coordinates export programs and seminars in Western Massachusetts. Ann has over 20 years of business experience, having owned her own apparel business and having held several senior marketing and retail positions. She holds an MBA in finance from Florida State University.

Michael Sullivan, Southeastern Mass International Trade Counselor

Michael is the international trade counselor with the Massachusetts Export Center and the Massachusetts Small Business Development Centers Network covering Southeastern Massachusetts. Based in New Bedford, Michael assists companies throughout the region in all aspects of international trade from business plan development to in-depth research on export markets. He has over 15 years of international trade experience including sales and marketing management at an international consumer products company, and he was the co-founder and managing partner of a home fashions textile business. Michael holds a degree in management from Suffolk University.

Raija Vaisanen, Assistant Trade Specialist

Raija Vaisanen is assistant trade specialist for the Massachusetts Export Center's Boston Office and the Massachusetts Small Business Development Center Network. Raija assists the program in a variety of ways including: daily administrative duties; client research via internet and direct contact overseas; event planning, organization, and preparation; and database maintenance. While in college and post graduate, she worked for the Massachusetts Small Business Development Center Network as a departmental assistant, helping reconcile budget accounts in addition to administrative support. She has volunteered for various state legislators and interned in the Massachusetts General Court for her State Representative in the summer of 2000. Raija graduated from the University of Massachusetts Amherst summa cum laude with a degree in Political Science.

Interns

The Export Center relies on student interns for a number of projects, including market research, database maintenance, seminar support, and publications development. Interns who have worked for the Massachusetts Export Center in 2002 include: Adam Chase (Northeastern University); Matt Forman (Western New England College); Jennifer Gagnon (Western New England College); Tom Gillespie (Westfield State College); Chad Gilman (Western New England College); Luciano Goncalves (American International College); Diony Kolm (University of Massachusetts Boston); Edward Merguerian (Harvard University); Chris Sheehan (Westfield State College): Melissa Stockbridge (Westfield State College); Gregory Strouth (Western New England College); and Cliff Vachon (Western New England College).

Massachusetts Export Center Office Locations

www.mass.gov/export

Eastern Massachusetts & Headquarter Office

State Transportation Building 10 Park Plaza, Suite 4510 Boston, MA 02116

Tel: 617-973-8664

Central Massachusetts Office

100 Karl Weiss Center 100 North Drive Westborough, MA 01581

Tel: 508-616-7909 x204

Southeastern Massachusetts Office

794 Purchase Street New Bedford, MA 02740

Tel: 508-999-1388

Western Massachusetts Office

174 Brush Hill Avenue P.O. Box 2010 West Springfield, MA 01090

Tel: 413-787-9193

Partners for Trade Administrative Office

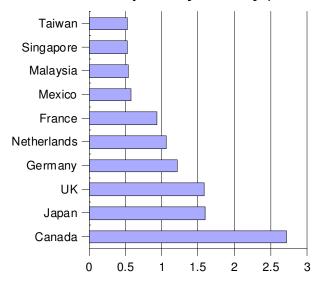
c/o Mass Small Business Development Center Network 227 Isenberg School of Management University of Massachusetts 121 Presidents Drive Amherst, MA 01003-9310

Tel: 413-545-6309

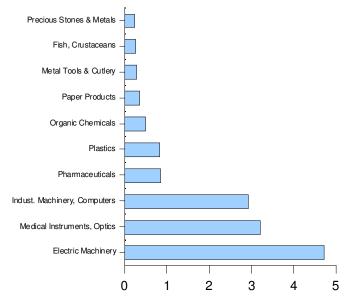
Massachusetts 2002 Trade Activity

Total Massachusetts Exports in 2002 \$16,707,593,003

Top Massachusetts Exports by Country (in \$ billions)



Top Massachusetts Exports by Product (in \$ billions)





Massachusetts Export Center

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